

**MINUTES
ENERGY, ENVIRONMENT AND TECHNOLOGY
INTERIM COMMITTEE
MEETING**

**THURSDAY, MARCH 30, 2006
7:30 A.M., HOUSE CAUCUS ROOM
STATE CAPITOL BUILDING**

The meeting was called to order at 7:30 a.m. by Cochairman Representative George Eskridge. Other committee members present included Cochairman Senator Brent Hill, Senator Patti Anne Lodge, Senator Tom Gannon, Senator Curt McKenzie, Senator Elliot Werk, Representative Maxine Bell, Representative Steve Smylie, Representative Joe Cannon, Representative Ken Andrus, Representative Bob Nonini and Representative Elaine Smith. Ad hoc member Representative Bert Stevenson was also present. Senator Gerry Sweet and Senator Clint Stennett were absent and excused.

Others attending the meeting were Representative Eric Anderson; Representative Wendy Jaquet; Representative Frank Henderson; Mr. Bob Hoppie, Idaho Department of Water Resources; Mr. John Williams, Bonneville Power Administration; Courtney Washburn, Idaho Conservation League; Mr. Don Reading, Ben Johnson and Associates; Mr. Carl Bianchi, Legislative Services Office; Mr. Ron Williams, ICUA and Mr. Ken Miller. Legislative Services Office staff members present were Mike Nugent, Paige Parker and Toni Hobbs.

Representative Eskridge explained that the purpose of the meeting was to discuss the charge of the committee during the upcoming interim. He said that committee's the major assignment is to develop an integrated state energy plan that provides for the state's power generation needs and that protects the health and safety of the citizens of Idaho and the products produced in this state. JFAC has also approved up to \$300,000 to this committee to seek consultant services from independent experts.

Senator Hill noted that the existing state energy plan was established in 1982 and it has not been updated since that time. A copy of this plan is available at: <http://www.idwr.idaho.gov/energy>. **Senator Hill** said that the committee also plans to look at a comparison of energy plans from other states at a later meeting.

With regard to where the committee should start, a draft Request for Proposal (RFP) has been prepared by the Legislative Services Office that would allow the committee to hire a consultant if necessary. After a question from **Senator Gannon** regarding procurement regulations, it was

stated that the Legislature is exempt from state purchasing laws.

Representative Eskridge noted that this will involve a large time commitment from committee members and that it is time for the state to revise its energy policy. The issues include not only coal fired generation but also renewable resources and baseload generation. There are also environmental issues that need to be addressed.

Representative Stevenson suggested having a presentation from the Northwest Power and Conservation Council regarding issues in the entire northwest region. **Representative Eskridge** noted that a presentation from them is included on the agenda for the next meeting.

Representative Smylie suggested having presentations from the three investor owned utilities regarding their specific integrated resource plans (IRPs) due to the fact that these plans include a lot of information the committee will need in developing the state energy plan. **Representative Eskridge** said the cochairs were anticipating that would be included in the presentation at the next meeting by the PUC.

Representative Bell said that she was grateful for all of the work the cochairmen had already done and said she felt that the money appropriated for a consultant was an effort to give the committee more expertise with which to work.

Representative Eskridge explained that doing the RFP in a more general manner allows that the proposals received will vary quite a lot. This will give the committee a better idea of how often and for what they need to use a consultant.

Senator Werk said that in comparing plans of other states, he would like to include a discussion of how successful those plans have been. He also said that water usage needs to be included in the discussion. **Representative Eskridge** agreed and said that any discussion of an energy plan in Idaho needs to include both water quality and water quantity.

After a suggestion from **Representative Andrus**, **Representative Eskridge** stated that after the initial background information is gathered, the committee plans to actually develop recommendations regarding a state energy plan.

Representative Smylie suggested adding mercury contamination and the federal cap and trade program as specific agenda items. **Representative Eskridge** said it was assumed that would be discussed as part of DEQ's discussion and that it may take more than one meeting.

Senator McKenzie said in his opinion it is important for the committee to decide what the energy portfolio should look like in the future including ethanol, nuclear, wind and so on and what role those forms of energy should play in a future state energy plan.

Representative Eskridge agreed with **Senator McKenzie** and stated that this discussion will involve issues besides electricity such as ethanol/biodiesel, transportation fuels and transmission.

Senator Hill asked if the committee members were comfortable in putting out an RFP for consultants. He said any committee member is welcome to work with the Legislative Services Office in refining the existing RFP as necessary.

Senator Werk moved that the committee move forward with development of the RFP and Senator Gannon seconded the motion. The motion carried unanimously by voice vote.

Representative Rydalch distributed a booklet titled *Idaho's Energy Options* that was put together by scientists at the Idaho National Laboratory for the House Environment, Energy and Technology Committee. This booklet includes updates to the ideas that were included in the 1982 Idaho Energy Plan and statistics. Each section also includes issues that the committee, as the policy makers, might want to consider regarding the different topics. She noted that this information is presented from a scientific perspective without any interest as to what policy is actually set regarding energy. She said that, in her opinion, this publication would be very helpful to the interim committee in terms of background information. The committee agreed that this document would be very helpful. **Representative Rydalch** reminded the committee that the services of INL and its scientists are always available to help the legislature at no cost.

After a discussion of meeting dates, it was decided that the committee would meet on the third Wednesday and Thursday of each month. The committee scheduled the following meetings:

Wednesday and Thursday, April 19-20, 2006

Wednesday and Thursday, May 17-18, 2006

Wednesday and Thursday, June 21-22, 2006

All of these meetings will tentatively be held in the Joint Finance-Appropriations meeting room.

The meeting was adjourned at 8:20 a.m.